

  
Dignity  
Equity  
Prosperity

# elihlumayo

Waardigheid Billikheid Welvaart

**A Framework  
for the Development of  
the Western Cape Province  
2004 - 2007**

**To make the Western Cape  
"A Home for All."**

- pledges Premier Ebrahim Rasool, June 2004



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### INTRODUCTION

Situated at the southern tip of Africa, the Western Cape is one of nine provinces in South Africa. It is the third largest Province in terms of geographical size and the fifth largest in terms of population. Its land area is 129 386 km<sup>2</sup> which constitutes 10,6% of South Africa's total land area. The estimated population is approximately 4,5 million, about 9,7% of the national total. It has a net population growth of about 2,8% per annum. The Western Cape has been recorded as the fastest growing Province in the country and a tourist destination given all its forms of attraction.

The Western Cape is unquestionably one of the most beautiful areas in the world. It contains an amazing diversity of features and geographic sub-regions, including the arid Karoo, the verdant Boland, the Southern Cape hills and forest stretches, the rugged west and south-west coastlines with their distinctive fishing villages, the open grainfields of the western interior and the bushy veld of the Little Karoo.

The southern coast is separated from the mainland by ranges of mountains containing a rich floral kingdom with more plant varieties than the whole of Europe and Northern Asia combined. The extensive coastline includes many natural harbours and spectacular bays such as the world-famous Table Bay of Cape Town. Cape Town's main port is one of the largest deepwater harbours in Africa, making it the transport corridor to inland markets and a first choice for importers and exporters in neighbouring countries. The port handles an annual cargo volume of over 4,5 million tons, is host to several international fishing fleets and has a sophisticated ship repair centre, contributing more than approximately R500 million per annum to the economy.

The Western Cape is facing a formidable development challenge. A decade of service delivery has not reduced levels of inequality and unemployment nor has it stimulated sufficient levels of growth in the

Western Cape. From 1996 to 2001 the Western Cape population and labour force grew much faster than the national population and labour force. After a long period of sustained growth, the Western Cape economy began to slow down in 1999. While the causes for the slow-down are diverse, preliminary evidence suggests that it has not yet bottomed out. The mounting population pressure and slowing economic growth resulted in stagnant real per capita growth rates from 1996 to 2001.

The Western Cape economy also restructured dramatically over the last ten years with a big shift away from unskilled and labour intensive sectors to the skill-and capital-intensive tertiary sector. Significantly the growing prominence of the tertiary sector was even more pronounced in the Western Cape than in the rest of South Africa. From 1996 to 2001 the provincial economy also lost a significant portion of its share of jobs nationally.

The result of these trends is that wealth creation has not kept up with the population growth in the Province. While the delivery of basic services to the poor has improved, low levels of education has minimized chances of participating and benefiting from the growing Western Cape economy, thus resulting in increasing levels of income inequality. The Province is faced with a unique challenge of restructuring its economy to achieve a better interface between the unique and high quality products it supplies. In addition, the well-developed sectors of manufacturing, agriculture and tourism continue to employ large numbers of unskilled and semi-skilled workers, while at the same time there is an increased demand for higher skills and world-class infrastructure to fulfill international demands, in order to grow the economy to benefit more people.

In his State of the Nation Address on 08 January 2003, President Thabo Mbeki, called on all South Africans to push back the frontiers of poverty. He said: "We must use the state budget to improve the quality of life of



especially the poor, while contributing to the expansion of the economy." When the Premier opened the Provincial Legislature in February 2003, he introduced the concept "iKapa Elihlumayo - The growing Cape". He identified that: "Hope, Delivery and Dignity" will be the defining objective for our government for the next decade.

It is thus of utmost importance that all the available resources in the Province be utilized in such a manner that it provides maximum benefit for all the people of the Province. In order for this to happen the activities of all development partners in the Province need to be marshalled to the achievement of a common set of goals. This implies that the budgets of the different spheres of government be co-ordinated and optimally integrated to ensure alignment with each other's goals and strategies as well as to eliminate duplication. In addition, the internal responsibilities of each sphere of government need to be aligned, coordinated and integrated to produce the maximum impact for its interventions. Sound working relationships with the social partners is essential to the successful development and implementation of a Provincial Growth and Development Plan. The Province is well placed to respond to these challenges if the social partners can agree to a coordinated development strategy that can take advantage of the Province's many strengths.

This Framework represents the first phase and a step forward from previous development planning processes in the Province, which have tended to be sectorally driven and fragmented, short-term and sometimes reactive. It is a major attempt by government and its social partners to set an effective development agenda, not only for the government, but also for all stakeholders working together to realize the Province's vision, **"A Home for All."**



### VISION

*"A Home for All."*

**iKapa Elihlumayo!** 'The Growing Cape' calls for Creativity, Dedication and Boldness in our Drive to bring Dignity, Equity and Prosperity to the Western Cape - **A Home for All!** This requires a critical paradigm shift from Welfare Dependence to Economic Self-Reliance; growing the Economy, increasing employment, and that we broaden ownership to fight poverty, reduce disparity and improve living standards.

### MISSION

Working effectively with all stakeholders to serve the people of the Western Cape, through:

- **Building Social Capital**
- **Building Human Capital, and**
- **Enhanced Economic Participation and Growth**

Providing the above by means of good holistic governance with sustainable use of resources and the environment. To this end eight developmental priorities have been identified. These priorities allow us to take the concept of iKapa Elihlumayo a step closer towards a strategy that will address the key societal challenges in the Province.

The following eight key developmental priorities have been identified for the Province and approved by Cabinet.

### OUR DEVELOPMENTAL PRIORITIES

The following eight key developmental priorities have been identified for the Province and approved by Cabinet.

#### 1. Building Social Capital with an emphasis on Youth

Increasing evidence shows that social cohesion social capital is critical for poverty alleviation and sustainable human and economic development. High crime, high poverty rates, early school leaving, slow delivery of appropriate housing, community building projects and the after-effects of the pre-1994 cultural, political and economic divide, all point to the necessity of building social capital in our communities. Such an intervention should aim to strengthen social ties and integration. While this imperative involves a number of **other departments**, **The Department of Social Services and Poverty Alleviation** has to take the lead here.

#### 2. Building Human Capital with an emphasis on Youth

Human capital is the major stumbling block towards realising the goals of iKapa Elihlumayo. In both South Africa and the Western Cape, unemployment has a very strong youth dimension with the youth cohort making up 82% of all unemployment. Government will implement a Human Resource Strategy with an emphasis of preparing the youth for employment. The strategy will emphasise the acquisition of opportunities through technical and vocational education, entrepreneurship, learnerships, apprenticeships and internships. **The Department Education** will take the lead as one of the largest service providers in the Province.

#### 3. Strategic Infrastructure Investment

The challenge is to spend strategically on infrastructure where its economic and social returns will be highest. In this regard Government commits itself to maintaining and developing economic and social infrastructure in a manner that addresses the spatial dimension of development.



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The **Department of Transport and Public Works** will in close consultation with the **Department of Housing** take the lead in developing a Strategic Infrastructure Plan.

#### 4. Micro-Economic Strategy

The key challenge in formulating the micro economic strategy is that it should support priority sectors in the Province to achieve a better fit between what the provincial economy has to offer and what global and domestic markets demand. The goal of the micro-economic strategy is to improve the livelihood and quality of life of all the citizens within the Province through economic growth that creates high quality jobs, generates wealth and investment and helps to ensure the Province's long-term fiscal health. This strategy will be co-ordinated and integrated with the human resources development, equity, competitiveness and infrastructural interventions as well as with the job-creation and poverty alleviation aspects of the social capital strategy. We will build on our strengths, address barriers to growth and mobilise our collective resources. **the Department of Economic Development and Tourism** will take the lead, while **The Department of Agriculture**, as a key player will participate through its land reform, farmer settlement, rural development and other value driven initiatives of the total agricultural sector.

#### 5. A Spatial Development Framework

A Provincial Spatial Development Framework is necessary to ensure an integrated and effective approach to economic and social development so that government's infrastructure investment and development spending has better spatial outcomes than are currently being achieved. The spatial development framework will set out an integrated social, economic and environmental framework for the future of the Province. This framework will guide and be a key component of both the infrastructure and micro-

economic strategies. **The Department of Environmental Affairs and Development Planning** will be the driver of the formulation of this framework.

#### 6. Co-ordination and Communication

The Province faces many challenges but resources with which to achieve these challenges are limited. It is important that government's resources be utilised in a way that provide maximum benefit. Cabinet Committees and Administrative Clusters have been established at Provincial level to facilitate coordination and integration and minimise duplication. This will also ensure the optimal use of limited resources within the Province. **The Department of the Premier and the Department of Local Government** will play a key role in facilitating this process.

#### 7. Improving Financial Governance

The Province's most important tool in pursuing its developmental priorities is the provincial budget and the services that are funded by it. The iKapa Elihlumayo vision translates into a strategy to use the provincial budget as a whole as well as a series of strategic partnerships to stimulate the economy and to open it up to wider participation. **The Department of Provincial Treasury** will take the lead to further improve financial governance in order to improve overall efficiency of resource use.

#### 8. Provincialisation of Municipally Rendered Services

The key challenge here is to find a way for the Province to take over the responsibility for certain services currently rendered by municipalities on its behalf from 2007 onwards.

These developmental priorities were derived from an overview of development challenges in the Province (the Socio-Economic Review). The process also included assessments of Provincial service delivery, (MTEC-



## Framework for the development of The Western Cape Province 2004-2007

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Bilaterals, Efficacy reviews and Efficiency reviews) and thorough deliberations through the process that culminated in the Provincial Growth Development Summit, where all the social partners pledged their commitment to developing their Province. The Human Resource Development Strategy, the Micro Economic Strategy and Social Capital Strategy gives direct expression to the three themes mentioned in the Mission of the Province while the rest of the priorities provide transversal support for these three.



## OUR DEVELOPMENTAL PRIORITIES

### HOW ARE WE GOING TO ACHIEVE OUR DEVELOPMENTAL PRIORITIES?

**Through Holistic Governance** - (Integrated Governance; Co-operative Governance; Responsive Governance and Globally Connected Governance.)

The objective of holistic government is that it guides and directs the functions and choices of the 3 spheres of government towards the provision of coherent governance and a seamless and expanding delivery of services.

Holistic governance is therefore not co-operation for the sake of it, but co-operation with the aim of marshalling the distinctive and complementary efforts, capacity, leadership and resources of each sphere and directing these effectively towards the objectives of government as a whole. The basic principle underpinning government's approach to integration is that the work of government impacts on the totality of the lives of citizens in an integrated way. Irrespective of how government operates, the impact of its work is understood as being that of the one entity called government. To this end the Western Cape Government has developed a strategy called **IKAPA ELIHLUMAYO - THE GROWING CAPE**.

The basic mandate for iKapa Elihlumayo was derived from the President's call as identified in the State of the Nation address in 2003. President Mbeki stated in his 2003 State of the Nation Address "The challenge we all face as South Africans is to put our shoulders to the wheel to accelerate the pace of change. Government must act to ensure that we reduce the number of people dependent on social welfare, increasing the numbers that rely for their livelihood on normal participation in the economy." The key purpose of the iKapa Elihlumayo strategy is to grow the economy of

the Western Cape through catalytic socio-economic interventions that will increase wage employment and per capita income, strengthen sectors, grow new enterprises, raise skill levels, reduce disparities, and broaden meaningful economic participation by all.

The broad policy and spending priorities of the Western Cape government are contained in its iKapa Elihlumayo vision, which has four general **outcome goals** namely:

- Increasing economic growth;
- Increasing employment and economic participation;
- Reducing geographical and socio-economic inequality and
- Providing a sustainable social safety net.

Whilst our thirteen departments operate within constitutionally defined functional mandates, departments are also mandated to promote and develop the Western Cape according to localized or provincial-specific objectives. In this regard the Province is shifting its attention to more integrated approaches to service delivery. Integrated programmes will be driven by the newly established Administrative Clusters and Cabinet Committees. Clusters will take responsibility for co-ordinating the strategies and projects related to specific priority areas. In this regard the building of administrative and institutional capacity remains a priority, as does the establishment of effective partnerships with the social partners. Currently there are thirteen Departments within the **Department of the Premier** and these have been established to ensure mutual performance on the achievement of the Province's developmental priorities. To this end and as can be seen in Figure 1 departments have been organized within the context of **"Integrated Government: Different Jobs - Same Goals - One Plan."**



The following Departments are responsible for creating the **enabling environment**:

- **Community Safety** - promoting safety and security through a process of civilian oversight, crime prevention strategies and effective traffic law enforcement and traffic safety education.
- **Environmental Affairs and Development Planning** - promoting the well-being, economic efficiency and environmental integrity towards sustainable development in the Western Cape.
- **Cultural Affairs and Sport** - promoting and transforming sports and culture for the benefit of the well-being and unification of the people.

The following Departments are responsible for creating the **safety net**:

- **Social Services and Poverty Alleviation** - providing a safety net for the poor, the vulnerable, and those with special needs in a developmental manner.
- **Housing** - promoting and facilitating the provision of adequate housing development.
- **Health** - improving the health of all the people in the Western Cape and beyond, by ensuring the provision of a balanced health care system, in partnership with all stakeholders, within the context of optimal socio-economic development.

The following Departments are responsible for creating the **sectoral growth**:

**Economic Development and Tourism** - leading a role in growing the Cape into a world-class economy for the sustainable benefit of all inhabitants, thereby reducing economic disparities between people. Facilitating growth and transformation of economy, by growing sectors of

economy with most potential, while transforming them to incorporate the historically marginalized. Offering user-friendly service to the generators of economic development, large and small, local and global.

**Agriculture** - promoting, through technology development and transfer, land reform and agricultural training, sustained agricultural production and marketing of the entire community, by creating food security, improving personal income and general quality of life.

The following Departments are responsible for providing the **economic anchors**:

**Transport and Public Works** - delivering an integrated, accessible, safe, reliable, affordable, sustainable and quality transport system and property infrastructure through socially just, developmental and empowering processes, to improve the quality of life for all.

**Education** - Ensuring that all learners of the Western Cape acquire the knowledge, skills and values they need to lead fulfilling lives, and to contribute to the development of the Province and the country.

The following Departments lay the **transversal foundation**:

- **Department of the Premier** - providing strategic direction and management support to the Western Cape Provincial line departments in an integrated, collaborative and co-ordinated manner.
- **Local Government** - ensuring municipal success and sustainability.
- **Provincial Treasury** - obtaining financial and supportive means and utilizing these optimally in pursuit of its vision and supporting strategic goals.

The Province's role with regards to co-operative governance is to administer social (education, social grants and health) as well as enabling functions.



Provinces are also obliged with overseeing and supporting municipalities. The Provincial Government has to ensure that the Municipal Integrated Development Plans (IDPs) are integrated within the Province's Growth and Development Plan. This will also result in the vertical integration of municipal priorities with the functional departmental strategies. This creates ample opportunity and scope for inter-and intra-governmental integration, co-ordination and cooperation between spheres to focus resources on agreed upon priority areas.



**INTEGRATED GOVERNMENT: Different Jobs - Same Goals - One Plan**

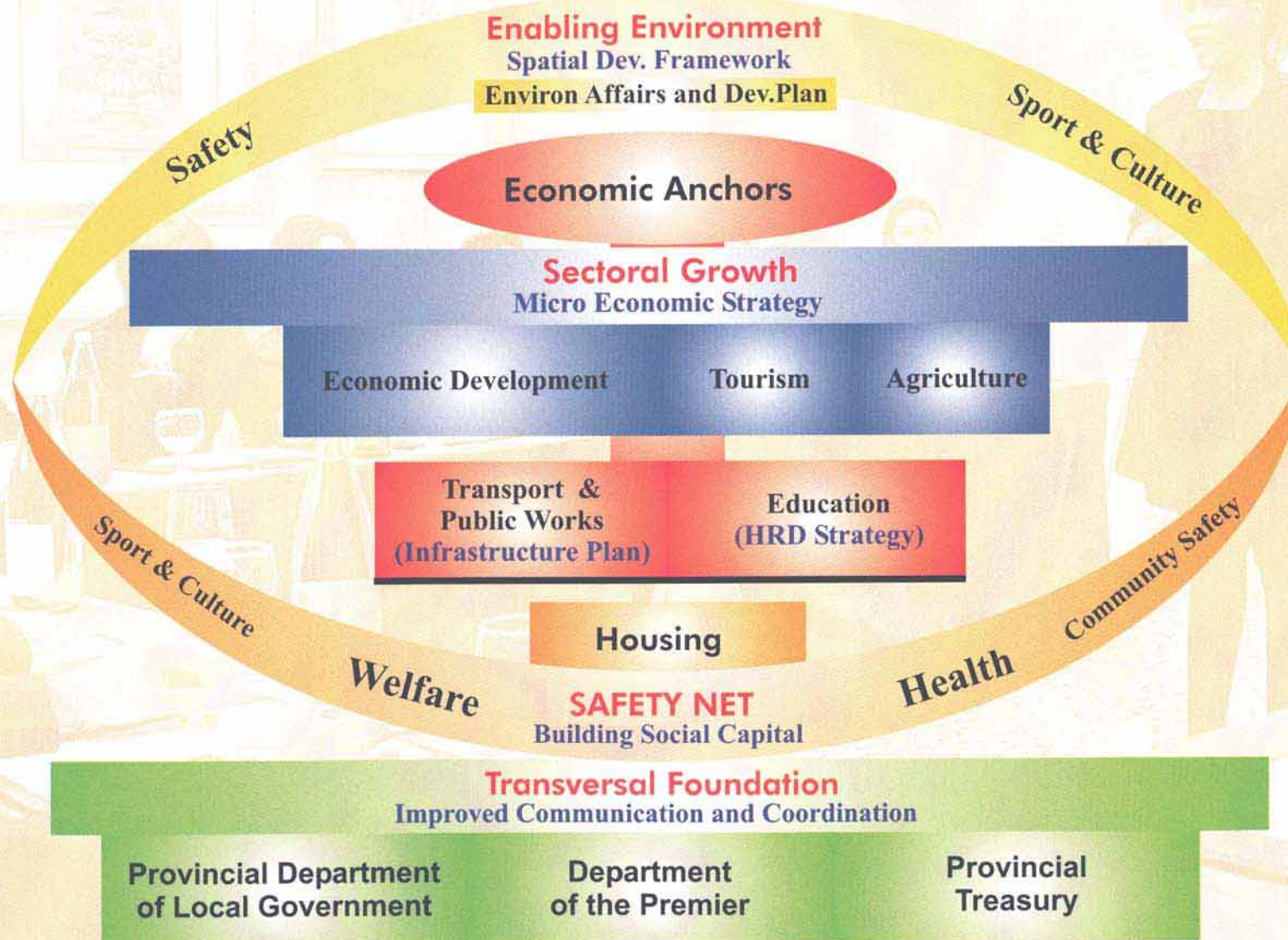


Figure 1



### THE WAY FORWARD

The second phase of the process of developing a Provincial Growth and Development Plan is underway. This phase is intended to identify and design programmes that will bring life to the strategic vision and development priorities as has been articulated in this document. The second phase needs to be conducted in a participatory manner, which will ensure that all stakeholders in the Province pool their efforts in order to set the foundation for sustainable and inclusive growth. The programme development phase of the Provincial Growth and Development Plan does not replace the strategic planning processes within Provincial Government

Departments, but does provide **a further distillation of the provincial priorities that individual departments have to tackle.** By pursuing these priorities, departments will open themselves to far greater integration of their work with that of other Departments within the Provincial sphere of Government, as well as the Local and National spheres of Government. It is only through active and sustained planning and implementation within a shared framework and through integrated programmes that we will finally manage to unburden this Province of poverty and underdevelopment.





**“Ons maak die Wes-Kaap  
'n tuiste vir almal”**

- beloof Premier Ebrahim Rasool plegtig in Junie 2004.

**“Ukwenza iNtshona Koloni  
ibe likhaya lomntu wonke.”**

-amazwi avakaliswe yiNkulumbuso yePhondo,  
u-Ebrahim Rasool, kweYesilimela (June) ku 2004.



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